

HELANE L. MORRISON (Calif. Bar No. 127752)
ROBERT L. MITCHELL (Calif. Bar No. 161354)
MICHAEL S. DICKE (Calif. Bar No. 158187)
PATRICK THOMAS MURPHY (NY Bar No. 2685717)

Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
44 Montgomery Street, Suite 1100
San Francisco, California 94104
Telephone: (415) 705-2500
Fax: (415) 705-2501

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

SECURITIES AND EXCHANGE COMMISSION, Civil Action No. C 01-21070 JW

Plaintiff,

vs.

GEOFFREY C. P. CHANG,

Defendant.

~~[PROPOSED]~~ FINAL JUDGMENT OF
PERMANENT INJUNCTION AND LEGAL
AND OTHER EQUITABLE RELIEF
AGAINST GEOFFREY C. P. CHANG

Plaintiff Securities and Exchange Commission ("Commission") has filed its Complaint for Permanent Injunction and Legal and Other Equitable Relief ("Complaint") in this action. Defendant Geoffrey C. P. Chang ("Chang"), who was represented by his counsel, has submitted a Consent to the Entry of Permanent Injunction and Legal and Other Equitable Relief ("Consent"), which was filed simultaneously with this Final Judgment of Permanent Injunction and Legal and Other Equitable Relief ("Final Judgment") and incorporated herein by reference. In the Consent, Chang waived service of the Summons and Complaint, admitted the jurisdiction of this Court over him and over the subject matter of this action, admitted that he was fully advised and informed of the right to a judicial determination of this matter, waived findings of fact and

~~[PROPOSED]~~ FINAL JUDGMENT AGAINST GEOFFREY C. P. CHANG
C-01-21070 JW

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2 conclusions of law as provided by Rule 52 of the Federal Rules of Civil Procedure, consented to
3 the entry of this Final Judgment, without admitting or denying any of the allegations in the
4 Complaint except as set forth in the Consent, and waived notice of hearing upon the entry of this
5 Final Judgment. Good cause appearing, the court orders as follows:

6 I.

7 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Chang, his agents,
8 servants, employees, attorneys, and all persons acting in concert or participation with him, who
9 receive actual notice of this Final Judgment, by personal service or otherwise, and each of them,
10 are permanently enjoined and restrained from, directly or indirectly, violating Section 10(b) of
11 the Securities and Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
12 thereunder [17 C.F.R. § 240.10b-5] by:

13 A. employing any device, scheme, or artifice to defraud;

14 B. making any untrue statement of material fact or omitting to state a material fact
15 necessary in order to make the statements made, in the light of the circumstances under which
16 they were made, not misleading; or

17 C. engaging in any transaction, practice, or course of business which operates or
18 would operate as a fraud or deceit upon any person, in connection with the purchase or sale of the
19 securities of any issuer, by the use of any means or instrumentality of interstate commerce, or of
20 the mails, or of any facility of any national securities exchange.

21 II.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Chang disgorge
23 profits from his securities purchase that is the subject of this action, and profits from purchases
24 he made on behalf of others, in the amount of \$286,528.13, plus prejudgment interest in the
25 amount of \$14,855.79. Payment of the disgorged amount and interest shall be made by cashier's
26 check, certified check or postal money order payable to the United States Treasury in the name
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and to the credit of the registry of the United States District Court for the Northern District of California, within thirty (30) days of the entry of the Final Judgment. Such payment shall be sent by certified mail to: Comptroller, Securities Exchange Commission, Operations Center, 6432 General Green Way, Alexandria, VA 22312-0003, under cover of a letter which identifies the defendant and the Commission's internal case number (SF-2366-A) and which references the following cases: S.E.C. v. Ken C. Chow, Jack C. Lau, and John C. Lin, Case No. C 01-21067-JW; S.E.C. v. Mark Apton, Rajiv Agrawal and Son D. Phan, Case No. C 01-21068-JW; S.E.C. v. Robert J. Prevett, Wendy Goody, and Clifford D. Goody, Case No. C 01-21069-JW; S.E.C. v. Geoffrey C. P. Chang, Case No. C 01-21070-JW; S.E.C. v. David Chang and Qwai Hoong Low, Case No. C 01-21071-JW; S.E.C. v. Evan Kong Lau, Case No. C 01-21072-JW; and United States v. Atul Bhagat, Case No. CR 01-20173-JW. Copies of each of the cover letters shall be simultaneously transmitted to the attention of Helane Morrison, District Administrator, at the Commission's San Francisco District Office, 44 Montgomery Street, Suite 1100, San Francisco, CA 94104.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Chang pay a civil penalty pursuant to Section 21A(a)(1)(A) of the Exchange Act [15 U.S.C. § 78u-1(a)(1)(A)] in the amount of \$72,711.88.¹ Payment of the penalty shall be made by cashier's check, certified check or postal money order payable to the United States Treasury within thirty (30) days of the entry of the Final Judgment. Chang shall pay postjudgment interest, as calculated pursuant to 28

¹ Pursuant to Section 21A(a)(2) of the Exchange Act [15 U.S.C. § 78u-1(a)(2)], this Court may impose a monetary penalty of up to three times the amount of illegal trading profits. The penalty imposed pursuant to this Judgment reflects profits made on trades placed by Chang on behalf of others. Pursuant to a plea agreement in a related criminal action brought by the United States Attorney's Office, Chang has agreed to pay a penalty equal to profits from his trading on his own behalf. Accordingly, the Commission has not sought a further monetary penalty against Chang for that trading.

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2 U.S.C. § 1961, on any amount of the \$72,711.88 penalty that remains outstanding thirty (30) days
3 after the entry of this Final Judgment. All payments shall be made by cashier's check, certified
4 check or postal money order, payable to the United States Treasury. Such payments shall be sent
5 by certified mail to: Comptroller, Securities Exchange Commission, Operations Center, 6432
6 General Green Way, Alexandria, VA 22312-0003, under cover of a letter which identifies the
7 defendant, the caption and civil action number of this matter, this Court, and the Commission's
8 internal case number (SF-2366-A). Copies of each of the cover letters shall be simultaneously
9 transmitted to the attention of the District Administrator at the Commission's San Francisco
10 District Office, 44 Montgomery Street, Suite 1100, San Francisco, CA 94104.

11 IV.

12 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the attached Consent
13 of Chang, filed concurrently with this Final Judgment, is incorporated herein with the same force
14 and effect as if fully set forth herein and that Chang shall fully comply with all of the
15 undertakings and agreements incorporated in both documents.

16 V.

17 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain
18 jurisdiction over this action for the purpose of implementing and carrying out the terms of all
19 orders and decrees which may be entered herein and to entertain any suitable application or
20 motion for additional relief within the jurisdiction of this Court.

There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

Dated: July 25, 2002

/S/ JAMES WARE

United States District Court Judge

APPROVED AS TO FORM:

David Bayless, Esq.
Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105

Jay M. Ross, Esq.
Hopkins & Carley
70 South First St.
San Jose, California 95113

Attorneys for Geoffrey C. P. Chang